

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE May 23, 2006	(3) CONTACT/PHONE Dan Buckshi 805-781-5011	
(4) SUBJECT Fiscal Year 2005-2006 Third Quarter Financial Report			
(5) SUMMARY OF REQUEST The Board is requested to review the financial report for the Third Quarter of FY 05-06, approve budget adjustments, approve acceptance of gifts and donations, discharge bad debt, amend the fixed asset list for Planning & Building and Child Support Services, and close the Enterprise Financial System budget.			
(6) RECOMMENDED ACTION It is recommended that the Board of Supervisors: <ol style="list-style-type: none"> 1. Receive, review, and file the Fiscal Year 2005-2006 Third Quarter Financial Report. 2. Approve budget adjustments totaling \$6,001,469 (Attachments A & B) for the year-end adjustments related to FY 05-06 prevailing wage adjustments and other year-end costs. Of this amount, \$2,926,291 is recommended to come from General Fund contingencies. 3. Accept gift funds and donations on behalf of the Library totaling \$39,406.06 and approve a budget adjustment to move the donations into the Library budget. 4. Approve a request to discharge bad debt from Mental Health totaling \$10,755.78. 5. Amend the fixed asset list for Child Support Services and the Planning Department. 6. Authorize the Auditor-Controller to close the Enterprise Financial System budget, Fund Center 265, returning \$500,000 to the Accounting System Development Designation, and using the remaining funds where needed to liquidate any outstanding obligations of the EFS project. 			
(7) FUNDING SOURCE(S) Various	(8) CURRENT YEAR COST N/A	(9) ANNUAL COST N/A	(10) BUDGETED? <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): All County Departments			
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____			
(13) SUPERVISOR DISTRICT(S) <input type="checkbox"/> 1st, <input type="checkbox"/> 2nd, <input type="checkbox"/> 3rd, <input type="checkbox"/> 4th, <input type="checkbox"/> 5th, <input checked="" type="checkbox"/> All	(14) LOCATION MAP <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A	(15) Maddy Act Appointments Signed-off by Clerk of the Board <input checked="" type="checkbox"/> N/A	
(16) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Board Business (Time Est. 20 mins)	(17) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input checked="" type="checkbox"/> N/A		
(18) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A	(19) BUDGET ADJUSTMENT REQUIRED? <input type="checkbox"/> Submitted <input checked="" type="checkbox"/> 4/5th's Vote Required <input type="checkbox"/> N/A		
(20) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A	(21) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	(22) Agenda Item History <input type="checkbox"/> N/A Date 2/28/2006	
(23) ADMINISTRATIVE OFFICE REVIEW This item was prepared by the Administrative Office			

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2/28/2006

County of San Luis Obispo

COUNTY GOVERNMENT CENTER, RM. 370 • SAN LUIS OBISPO, CALIFORNIA 93408 • (805) 781-5011



DAVID EDGE
COUNTY ADMINISTRATOR

TO: BOARD OF SUPERVISORS

FROM: DAN BUCKSHI, COUNTY ADMINISTRATIVE OFFICE

DATE: MAY 23, 2006

SUBJECT: FISCAL YEAR 2005-2006 THIRD QUARTER FINANCIAL REPORT

Recommendation:

It is recommended that the Board of Supervisors:

1. Receive, review, and file the Fiscal Year 2005-2006 Third Quarter Financial Report.
2. Approve budget adjustments totaling \$6,001,469 (Attachments A & B) for the year-end adjustments related to FY 05-06 prevailing wage adjustments and other year-end costs. Of this amount, \$2,926,291 is recommended to come from General Fund contingencies.
3. Accept gift funds and donations on behalf of the Library totaling \$39,406.06 and approve a budget adjustment to move the donations into the Library budget.
4. Approve a request to discharge bad debt from Mental Health totaling \$10,755.78.
5. Amend the fixed asset list for Child Support Services and the Planning Department.
6. Authorize the Auditor-Controller to close the Enterprise Financial System budget, Fund Center 265, returning \$500,000 to the Accounting System Development Designation, and using the remaining funds where needed to liquidate any outstanding obligations of the EFS project.

Actions two through six require 4/5 vote.

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Discussion:

Overview

This report is intended to provide the Board of Supervisors and the public with an overview of the County's financial performance through the third quarter of Fiscal Year 05-06. The report is divided into four sections described as follows:

- **Section 1** contains an overview of the County's financial position at the end of the third quarter as well as brief summaries of noteworthy fiscal and operational issues facing various departments at this time.
- **Section 2** contains a big picture analysis of third quarter revenue receipts by category (e.g., taxes, charges for services, etc.) and fund (e.g., General Fund, Road Fund, etc.) as well as a review of contingency, designation and reserve activity. Also included in this section are revenue and expenditure summaries by functional area.
- **Section 3** provides a listing of all personnel changes approved by the Board of Supervisors during the third quarter.
- **Section 4** contains miscellaneous financial items for the Board's consideration, such as requests from departments for acceptance of gift funds and donations and discharge of bad debt.

Executive Summary:

- Compared to the previous year, third quarter spending levels and revenue receipts were generally on target. General Fund expenditures were 70% of budgeted amounts, while General Fund revenues were 63% realized after the third quarter. These amounts are consistent with prior years and are considered normal given the timing of the largest revenue sources. Significant exceptions are identified in Section One of this report.
- Non-departmental revenue is on track to exceed budgeted levels at year-end by approximately \$13 million. There are a number of revenue sources that are projected to exceed budgeted levels. As reported in the first and second quarter reports, the state repaid cities and counties for a vehicle license fee (VLF) "loan". This one-time revenue of \$5.2 million was not included in the current year budget because it was not included in the Governor's proposed FY 05-06 Budget. Property tax revenues are on track to exceed budgeted levels by approximately \$2.5 million and property tax in lieu of Vehicle License Fees (VLF) is now estimated to exceed budgeted levels by \$3.7 million. The state provides an estimate of the property tax in lieu of VLF and then adjusts the estimates during the year to adjust for growth. Sales tax, and Transient Occupancy Tax (bed tax) are also on track to meet or exceed budgeted levels. Revenue above budgeted amounts will increase the General Fund carryover amounts to fiscal year 2006-07 and will help fund next year's budget.

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- As noted in the FY 2005-06 second quarter financial report, the Public Works Department received \$1,450,000 in Proposition 42 funds from the State. This revenue was not included in the Board's adopted budget as it had not been included in the Governor's proposed FY 05-06 budget. On March 28, 2006, your Board approved a budget adjustment to appropriate these funds for the AC Pavement Overlay contract with Union Asphalt, allowing the County to almost double the scope of work for the Pavement Management program. With this augmentation, the county will overlay 24 miles of roadway.
- The County recently received information from the Department of Justice that payments to counties for the tobacco master settlement agreement may be less than budgeted for FY 2005-2006. The impact to the County is a potential loss of approximately \$100,000. The State of California (Attorney General) is pursuing litigation with the tobacco companies in order to recoup these payments.
- Most departments are reporting that their budgets are on track at the end of the third quarter or they are taking steps to increase revenues or reduce expenditures in order to meet budget expectations. The exceptions are noted in Section One of this report.
- The Auditor-Controller estimates that the General Fund will finish the year with a fund balance of approximately \$22.5 million as compared to \$25.9 million one year ago. This money is one of the financing sources for the FY 06-07 Proposed Budget.
- The third quarter report is typically when County departments make year-end adjustments. In total, there are expense increases of approximately \$14.1 million and County departments are able to absorb all but \$2.98 million via staffing vacancies, savings in services and supplies accounts, and unanticipated revenues. It is recommended that \$2,926,291 of General Fund Contingencies and \$58,126 of department specific contingencies be used to cover the difference.
 - The \$14.1 million of expense increases is summarized as follows:
 - \$10.97 million for prevailing wage increases
 - \$3.17 million for other expense increases
 - \$11.15 million is absorbed with departmental savings and unanticipated revenue
 - \$2.98 million is requested from contingencies

The prevailing wage increases of \$10.97 million were approved by the Board during the 2005 –2006 fiscal year. Most departments are not required to include funding in their budgets for these costs but historically are able to absorb most or all of the increased expenses through salary savings or unanticipated revenue. A few departments, including those in health and human services, do budget for estimated salary and benefit increases as they are often able to claim reimbursement for these costs through their various funding sources. This year, County departments are projected to be able to absorb \$8.8 million of the \$10.97 million prevailing wage increase.

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All of the budget adjustments (prevailing wage adjustments and other adjustments) are summarized in attachments A & B. The individual department narratives listed in Section One of this report do not reference the prevailing wage adjustments as the adjustments are captured in attachments A & B.

Other Agency Involvement/Impact:

All departments have contributed to the development of this report. The Administrative Office and the Auditor-Controller's Office compiled data from departments and other sources into the report. The Personnel Department provided a summary of Board approved Position Allocation List changes for the third quarter of this fiscal year.

Financial Considerations:

Approval of the recommendations will increase overall expenditures by approximately \$14.1 million. Contingencies will be used to fund approximately \$2.98 million of the additional expenses. The balance will be funded with departmental unanticipated revenues and/or expense account savings. In addition, \$39,406.06 of donations will be accepted on behalf of the Library and \$10,755.78 of bad debt will be discharged.

Results:

This report provides the Board of Supervisors and public with an overview of the County's financial position through the third quarter of the FY 05-06.

ATTACHMENT

C: Department Heads

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COUNTY OF SAN LUIS OBISPO
THIRD QUARTER FINANCIAL STATUS REPORT
EXPENDITURE AND REVENUE STATUS
SECTION 1

The purpose of this report is to provide an overview of the County's financial position at the end of the third quarter for Fiscal Year 2005-2006. Comments are provided for fund centers that experienced fiscal or operational issues. It is important to emphasize that if no issues exist, no comments are made.

As shown on the tables below, expenditure and revenue patterns closely resemble the prior years and are considered normal for this time of year. For the third quarter of FY 05-06, All Fund expenditures were 61% of budget, while All Fund revenues were 58 % realized at the end of the third quarter. General Fund expenditures were 70% of budget, while General Fund revenues were 63% realized at the end of the quarter. The revenue realization rates are considered normal at this point of time in the year because of the timing of the largest revenue sources.

Expense and Revenue for <i>All Funds</i> Comparison Third Quarter FY 05-06 and Third Quarter FY 04-05		
	Third Quarter FY 05-06	Third Quarter FY 04-05
Expenditures	61%	57%
Revenue Realized	58%	52%

Expense and Revenue for <i>General Fund</i> Comparison Third Quarter FY 05-06 and Third Quarter FY 04-05		
	Third Quarter FY 05-06	Third Quarter FY 04-05
Expenditures	70%	67%
Revenue Realized	63%	56%

Listed below are summaries of key departmental financial or operational issues.

Non-Departmental Revenue- Fund Center 101

Issue: Higher than anticipated revenue

Impact to General Fund: + \$13M of revenue

With 75% of the year elapsed, non-departmental revenue is on track to exceed budgeted levels by year-end by approximately \$13 million. There are a number of revenue sources that are projected to exceed budgeted levels.

As reported in the first and second quarter reports, the state repaid cities and counties for a vehicle license fee (VLF) "loan". This one-time revenue of \$5.2 million was not included in the current year budget

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because it was not included in the Governor's proposed FY 05-06 Budget. Property tax revenues are on track to exceed budgeted levels by approximately \$2.5 million and property tax in lieu of Vehicle License Fees (VLF) is now estimated to exceed budgeted levels by \$3.7 million. The state provides an estimate of the property tax in lieu of VLF and then adjusts the estimates during the year to adjust for growth. Sales tax, and Transient Occupancy Tax (bed tax) are also on track to meet or exceed budgeted levels. Revenue above budgeted amounts will increase the General Fund carryover amounts to fiscal year 2006-07 and will help fund next year's budget.

Risk Management- Fund Center 105

Issue: Higher than anticipated expenses and a budget adjustment

Impact to General Fund: \$25,000

Risk Management will require a \$25,000 augmentation from General Fund Contingencies to pay for higher than budgeted expenses in the following areas:

- Retiree Health Insurance Premiums: The Board of Supervisors approved a \$35/mo increase in retiree health benefits for certain employee groups effective 1-1-06. The increase was approved after the 2005-06 budget was adopted and added \$18,000 in unanticipated expenses. Savings in the Public Employees Retirement System (PERS) health insurance program administration fees will reduce the shortfall to \$10,000.
- Wellness Program: More employees than budgeted have taken advantage of the wellness benefit during FY 2005-06. This has created a \$10,000 shortfall.
- Insurance Premiums: The County's premium for property insurance came in approximately \$50,000 over budgeted levels because the budget did not include the premium for the new Government Center. Savings in other premiums will reduce this shortfall to \$5,000.

Assessor- Fund Center 109

Issue: Revenue shortfall of \$662,659

Impact to General Fund: \$0

As reported in the previous quarters, there will be a revenue shortfall of \$662,659 due to the loss of Property Tax Administration Program (PTAP) funds. Revenue from PTAP was not included in the FY 05-06 state budget. This revenue source provides funding for 11 positions that are used to assist with reducing assessment backlogs, checking under-assessed property or finding un-assessed property. Since work done by these positions increases revenues for both the state and the county, the Administrative Office recommended retaining these staff while the Assessor continues to work with the California Association of Assessors and Legislators to restore this funding.

The Assessor has unspent prior year PTAP funds in a trust account that will be used to help cover this revenue shortfall. This money, coupled with salary and services and supplies accounts savings will allow the Assessor to cover this revenue shortfall and not negatively impact the County General Fund.

Clerk-Recorder- Fund Center 110

Issue: Higher than anticipated expenditures

Impact to General Fund: \$0

The Clerk-Recorder reports that expenses for this budget are projected to be \$420,407 over the budgeted amount. The additional expense is related to the November 2005 special election. Increased use of temporary help and overtime raised salary costs by \$91,374. Printing of ballots, postage, supplies and

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poll worker costs increased expenses in Services and Supplies by about \$329,033. The Clerk-Recorder anticipates that receipt of higher than budgeted revenues in a number of accounts unrelated to elections will offset the entire expense. A bill that would allow reimbursement of local election expenses for the November 2005 special election has been introduced in the legislature. No action has been taken on the bill to date.

County Counsel- Fund Center 111

Issue: Higher than anticipated expenditures and a revenue shortfall

Impact to General Fund: \$213,000

The department is expecting a total revenue shortfall of \$97,000 due to the loss of SB-90 revenue (\$15,000), a shortfall in legal billings (\$28,000), and a shortfall in revenue for services provided to three Public Works projects (\$60,000). The shortfall in legal billings is due to the Lopez Water Treatment Project Plant and Nacimiento projects requiring less legal support than was budgeted. Additionally, the department no longer provides legal services to the Local Agency Formation Commission (LAFCO) or to Integrated Waste Management (IWMA). All but \$3,000 of these revenue shortfalls is offset by \$6,000 of higher than budgeted revenues in other accounts and \$93,867 in salary savings due to maintaining vacancies.

The department will exceed its Professional Services accounts by approximately \$210,000 at year-end. These additional expenditures are due to the Board approved defense of a claim from Kajima Construction for the new government center as well as two other court cases that are being litigated (County vs. Equilon and County vs. Level 3). General Fund contingencies will be required to cover these expenses.

District Attorney- Fund Center 132

Issue: Higher than anticipated expenditures and revenue shortfall

Impact to General Fund: \$178,734

In the Second Quarter, the District Attorney's Office projected revenue totals would be fully realized. The office now projects an overall shortfall of about \$40,000 in revenue due to lower than expected reimbursement from Southwest Border Prosecution Program federal funding and reduced revenues from the District Attorney bad check program. Proposition 172 revenues, the ½ cent sales tax for public safety, are \$174,000 higher than budgeted and reduces, but does not cover the entire impact of the other revenue shortfalls.

In addition, the District Attorney's Office exceeded budgeted salaries by about \$108,700 due to a combination of unbudgeted retirement payouts and the use of temporary help that went over the budgeted amount by about \$28,000. Services and supplies are also expected to be about \$30,000 over budget. Increased costs related to the use of professional services for expert witnesses and translators, blood alcohol test costs, polygraph test expenses, and higher than budgeted travel expenses contribute to the excess in the services and supplies accounts. In total, the District Attorney's Office will require an additional \$178,700 in General Fund to complete the year.

General Services- Fund Center 113

Issue: Revenue shortfall: \$294,348

Impact to General Fund: \$29,641

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Revenues are expected to fall short of budget by \$294,348. The primary reasons for the shortfall are unrealized lease revenue from the Child Development Center (\$20,000), less revenue from the Clinical Lab due to its closure March 31, 2006 (\$10,250), and less services provided to the hospital campus due to the current remodel of the facility (\$13,000). The remainder of the shortfall is due to custodial and maintenance billings to departments being less than budgeted. General Services is able to offset all but \$29,641 of this revenue shortfall with salary savings.

Child Support Services- Fund Center 134

Issue: Change to fixed asset list

Impact to General Fund: \$0

Child Support Services requests that \$21,500 be transferred from the salaries and benefits accounts to the fixed asset accounts in order to purchase three new copy machines. The current copiers are eight years old, which is beyond the recommended replacement period of seven years. The copiers require continual maintenance and are recommended for replacement. It is requested that the fixed asset list be amended in order to add the following:

<u>Quantity</u>	<u>Description</u>	<u>Cost Each</u>	<u>Total Cost</u>
3	Copier	\$7,132	\$21,396

Sheriff- Fund Center 136

Issue: Higher than anticipated expenses

Impact to General Fund: \$0

In the Second Quarter, it was identified that overtime expenses were projected to be twice the amount budgeted for this purpose. While overtime expenses are on track to exceed the budgeted amount by over \$1 million dollars, savings related to vacant positions will reduce the overall increase in the salary and benefit accounts, which include overtime, to about \$369,000. The Sheriff-Corner also projects that services and supplies will be about \$488,500 more than budgeted. The major contributors include garage charges, which are projected to be \$150,000 to \$200,000 higher due to high fuel costs and vehicle maintenance costs. Expenses for jail clothing and supplies are projected to be about \$112,000 higher than budgeted and significant value expenses are expected to exceed budgeted amounts by about \$116,500. The unbudgeted expenses in significant value include replacement computers and other equipment that the department deemed essential in the current year. The total projected expense above the budgeted amount is about \$857,500.

The Sheriff-Coroner budget shows additional revenue of \$977,689. This is from two main sources. The 3rd Quarter Projection for Proposition 172 revenue (the ½ cent sales tax for public safety) indicates that this source of revenue may be \$811,000 more than the budgeted amount. This revenue source fluctuates from month to month and it is difficult to predict the exact amount that will be realized at the end of the year. However, the past several years, this revenue source has consistently exceeded the budgeted amount. In addition, the Sheriff-Coroner projects that billings to the Court will exceed the budgeted amount by about \$166,689.

County Fire- Fund Center 140

Issue: Higher than anticipated expenses

Impact to General Fund: \$415,307

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State approved labor cost increases for California Department of Forestry and Fire Protection (CDF) staff result in the need to adjust the County Fire Budget to fully fund the County's fire protection services contract with CDF. The labor cost increase is \$616,050. County Fire has savings in a variety of service and supply accounts that total \$200,743 resulting in the need for \$415,307 in General Fund to fully fund contract costs through the rest of the year. County Fire also has \$243,693 in additional expense related to fire protection services provided to the Los Osos Community Services District. During the year, the District elected to increase the level of fire protections services. Funding from the District offsets this expense.

Agricultural Commissioner- Fund Center 141

Issue: Revenue shortfall

Impact to the General Fund: \$20,000

The Second Quarter report identified that the Agricultural Commissioner projected revenues from the Unclaimed Gas Tax would be lower than the amount in the budget. We identified that the total amount of Gas Tax available has remained constant while the statewide demand for reimbursement from this source has increased. This results in a lower "cents on the dollar" reimbursement ratio. Although some revenues in this budget are realized above budgeted amounts, the department still shows an overall revenue shortfall of \$143,596 from the reduced Unclaimed Gas Tax. All but \$20,000 of the revenue shortfall will be covered with savings in salaries and services and supplies. The Department budget for next year has adjusted the Unclaimed Gas Tax revenue to be more in line with the expected amount.

Public Health- Fund Center 160

Issue: Revenue shortfall and higher than anticipated expenditures

Impact to General Fund: \$59,000

As reported in the first and second quarter reports, Public Health identified a budget error that resulted in revenue for the California Children's Services (CCS) program being overstated by approximately \$537,000. The department has identified savings and unanticipated revenue that will offset this entire shortfall in the current year.

The department also previously reported a \$73,000 reduction in funding for the Bioterrorism program. This revenue reduction will be completely offset by a reduction in personnel and supply costs. One Department Automation Specialist position that was funded with this revenue will be kept vacant for the balance of the year and eliminated during the upcoming budget process.

Also, as previously noted in the first and second quarter reports, the National, State, and County outbreak of Pertussis (whooping cough) has resulted in increased costs for the Public Health department, mainly through increased overtime and temporary help to address the outbreak. Although the number of cases in San Luis Obispo County has leveled, there were 24 new cases reported during the third quarter bringing the total number of cases reported this fiscal year to 132, compared to five cases for all of last year (FY 04-05).

Lastly, the resignation of the Health Agency Director will result in an unbudgeted severance expense of \$59,000. The department is not able to absorb this additional expense and as such its level of General Fund support is projected to exceed budget by \$59,000 at year-end.

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Mental Health- Fund Center 161

Issue: Revenue shortfall

Impact to General Fund: \$0

The current year fiscal situation for the Mental Health department has improved over the past two quarters. It was originally anticipated that an increase in General Fund support of \$263,000, and then \$130,000 for the first and second quarters respectively would be required at year-end. It is now anticipated that the department will meet its budgeted level of General Fund support for the year.

Expenses: The department forecasts that total expenditures will be below budgeted levels by \$123,000 at fiscal year-end. Significant variances are as follows:

Salaries and benefits – Expected to be under budget \$138,000 by year-end.

- The prevailing wage increase granted to County employees in October was almost 2% higher than the 3.5% budgeted by the department. In addition to the prevailing wage increase, “equity” increases of 2.8% were granted to mental health therapists, psychiatrists, as well as clinical managers. The department also requested a 5% differential be granted to psychiatrists who treat children. All but the last of these adjustments were out of the department’s control.
- Temporary and part-time help has been utilized beyond budgeted levels in order to backfill for unanticipated vacancies.
- Spending for contract Psychiatrists is expected to exceed this year’s budget, yet fall below the prior year’s spending.
- A hiring freeze has been in effect since the second quarter. The savings from the hiring freeze will fully offset the overages noted above.

Services and supplies – Expected to be under budget \$91,000 by year-end.

- Food costs provided by French Hospital (CHW) are expected to increase by \$47,000 in the fourth quarter due to a renegotiation of the dietary service contract with the Psychiatric Health Facility (PHF). The contracted increase was originally budgeted at a smaller rate.
- Pharmaceutical costs have increased \$163,000 due to an increased census at the Psychiatric Health Facility (PHF) and the County jail.
- Payments to Probation of \$206,000 for Deputy Probation Officers to support Mental Health will not occur because the program will not be implemented as planned.
- Professional Services savings of \$74,000 are anticipated since actual expenditures for the Family Care Network contract are considerably less than budgeted and because service levels to support the Child Development Center have been lower than estimate.
- Other accounts result in a savings of \$21,000.

Intra-fund transfers – Expected to be over budget by \$106,201

- The Mental Health budget included transfers from DSS for CalWORKS referrals. In the second quarter, these appropriations and funds were transferred to Drug & Alcohol to pay for the contract with Lifesteps for a residential home for women and children.

Revenue: The department forecasts that total revenues will be below budgeted levels by \$106,000. Significant variances are as follows:

- The department’s current year budget includes a significant amount of revenue (about \$500,000) from one-time reserves. The use of one-time funds to pay for ongoing costs has been exacerbated

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by several mid-year contract amendments, which increased service levels to accommodate growing demands. In some cases, these increases were also paid for with one-time reserves. As a result, the department is now projecting that it will exhaust the vast majority of its \$1 million reserve by year's end.

- Medi-Cal reimbursement is expected to be below budget by \$340,000; partially a result of reduced billable services related to the Family Care Network and reduced billings for services as a result of the hiring freeze.
- State Aid-EPSDT funds are expected to be over budget by \$626,000 and are a result of unanticipated payments from the State for prior year EPSDT billings.
- The department budgeted \$425,000 in Mental Health Service Act (MHSA) funds as the result of the passage of Proposition 63. It was expected that these funds would be available early in the fourth quarter of this fiscal year. Unfortunately, these funds cannot be used for existing services and as such the funds are not available for use in this fund center in the current year.
- Other revenues are expected to exceed budgeted amounts by \$33,000.

Planning & Building- Fund Center 162

Issue: Change to fixed asset list

Impact to General Fund: \$0

The Planning and Building Department is requesting the following changes to its fixed asset list:

Delete

2 Computer Servers	\$13,000
1 Mid Size Truck	<u>\$17,000</u>
Total	\$30,000

Add

1 SUV Style Vehicle	\$20,000
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The two computer servers were determined subsequent to adoption of the 05-06 budget to be eligible for funding through the Information Technology Department's replacement program.

The Department has historically used mid-sized trucks for the building inspectors. Mid sized trucks had been selected because of the ground clearance they provide. The Department will be using mobile office technology in the near future. This will require a SUV style vehicle that meets ground clearance but also has sufficient enclosed interior space to securely store and access the mobile office technology. A vehicle will not be purchased until the County Fleet Manager completes a review of potential options for a more economical means to support this change (e.g. hybrid vehicles or other fuel efficient vehicles).

Clinical Lab- Fund Center 164

Issue: Higher than anticipated expenditures

Impact to General Fund: \$144,638

The Clinical Laboratory closed March 31, 2006. At the time of the closure, it was estimated to cost \$131,900 above the budgeted net county cost for the laboratory's operating budget. The primary reasons for increased costs are for the payout of sick leave, vacation, and severance pay to employees impacted by the closure. The current projection is that it will cost \$144,638 above the budgeted net county cost in FY 05-06 as actual sick leave, vacation, etc. payouts were a bit more than originally projected. In FY 06-07 and beyond, the closure of the laboratory is expected to save the County approximately \$550,000 annually.

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Social Services Foster Care- Fund Center 181

Issue: Higher than anticipated expenditures

Impact to General Fund: \$0

During the fiscal year, the department increased its contract with the Family Care Network by \$285,611 in order to increase the number of slots available in the "Wraparound Services" program for children by 30. There is not a cost to the General Fund as this expenditure increase is funded with SB 163 funding, which is intended to support "Wraparound Services." A budget adjustment is included in order to accommodate the additional revenue and expense.

Social Services General Assistance- Fund Center 185

Issue: Revenue and expenditure increase

Impact to General Fund: \$0

As reported in the first and second quarter reports, revenues and expenses associated with the Supplemental Security Income (SSI) program are higher than budgeted. SSI revenue is received by the Department of Social Services from the federal government and is generally passed along to clients (SSI is part of the federal Social Security program and SSI payments are made to those who qualify due to a disability). SSI caseloads are higher than budget and as a result, an additional \$71,277 of revenue and expenses are required to support the payments to clients. This program is 100% funded by the federal government.

Also, expenditures for the Cash Assistance for Immigrants (CAPI) are higher than budget due to a spike in caseloads this past summer and fall (caseloads have declined since October 2005). As such, an additional \$8,800 of revenue and expenses are required to support this program. This program is 100% funded by the state.

In total, a budget adjustment of \$80,392 is requested in order to support the SSI and CAPI programs. There is not a cost to the County General Fund as these two programs are supported with federal and state funding.

Law Enforcement Medical Care (LEMC)- Fund Center 184

Issue: Higher than anticipated expenses

Impact to General Fund: \$160,500

The LEMC budget will require additional General Fund dollars to complete the year. The creation of an additional afternoon physician clinic and a significant increase in the number of hospital inpatient days for inmates has significantly raised costs in this budget. The hospital inpatient days increased from 80 during the first nine months of FY 04-05 to 221 during the first nine months of the current year. As an example of the increased expense, the bills for hospital costs, exclusive of lab, physician and other costs, is over \$62,000 for five inmate cases. These inmate cases illustrate an increasing population of inmates with significant medical problems for which the County is obligated to provide care. The total additional costs related to inmate hospitalizations are expected to exceed the budgeted amount by over \$100,000. In addition, LEMC spent \$20,000 more than budgeted for temporary help and \$10,600 more for contract employees and about \$8,000 in overtime to cover staff vacancies and leave. The remaining over expenditures of approximately \$22,000 are attributable to a number of different accounts.

While costs in LEMC fluctuate based upon the number of inmates and the level of severity of illness that they exhibit, the trend is toward a higher population of inmates that has more severe medical problems.

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This ultimately leads to higher costs for this budget.

Roads- Fund Center 245

Issue: Unanticipated Revenue

Impact to General Fund: \$0

As noted in the FY 2005-06 Second Quarter financial Report, the Public Works Department received \$1,450,000 in Proposition 42 funds from the State. This revenue was not included in the Board's adopted budget as it had not been included in the Governor's proposed FY 05-06 budget. On March 28, 2006, your Board approved a budget adjustment to appropriate these funds for the AC Pavement Overlay contract with Union Asphalt, allowing the County to almost double the scope of work for the Pavement Management program. With this augmentation, the county will overlay 24 miles of roadway.

Enterprise Financial System (EFS)- Fund Center 265

Issue: Close-out this fund center

Impact to General Fund: \$0

The Enterprise Financial System (EFS) budget is recommended to be closed out during the upcoming 2006-07 Proposed Budget. Both Phase I (financials) and Phase II (human resources and payroll) have been implemented over the past few years. Phase I went "live" January 2005 and Phase II went "live" January 2006. It is estimated that at the end of the current fiscal year a balance of approximately \$500,000 will remain. This balance is recommended to be placed into automation reserves to help fund a new budget system that was originally part of the EFS project but was postponed due to system limitations. EFS maintenance costs have been shifted back to the departments that now have these responsibilities and recommended funding is included in their budgets for fiscal year 2006-07.

In order to closeout the budget, the Auditor-Controller needs authorization to liquidate outstanding obligations of the EFS project that may cross over into next fiscal year.

Emergency Medical Services- Fund Center 351

Issue: Budget adjustment and review of accounting procedures

Impact to General Fund: \$0

The Emergency Medical Services fund provides payments to physicians, designated hospitals, and other providers of emergency medical care for uncompensated emergency room care per Senate bills 12 and 612. The legislation allows for the collection of court fines from criminal offenses in order to help compensate providers for uncompensated emergency room care.

The County contracts with The Society Group, a foundation of The County Medical Society, to disperse the funds noted above as well as the Measure A - Tobacco Settlement Funds, to medical providers on the County's behalf (the Measure A funds are reflected in fund center 352, Other Indigent Health). There has been concern on behalf of The Society Group that some of the organization's funds have not been appropriately accounted for. The Society Group is conducting a full review of its finances and will be reporting the results to the County. Payments to physicians have been put on hold pending the findings of the financial review. Depending upon the outcome of the review, the County will take appropriate action in order to ensure that the above noted funds have been managed in a legal and appropriate manner.

Also, a budget adjustment is requested to transfer \$23,388 from contingencies to the operating budget in order to disperse the funds to providers in the community (with the exception of the payments to

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physicians, which have been put on hold). The \$23,287.55 is unanticipated revenue that was received by the County at the end of FY 04-05.

Driving Under the Influence- Fund Center 375

Issue: Unanticipated revenue and a budget adjustment

Impact to General Fund: \$0

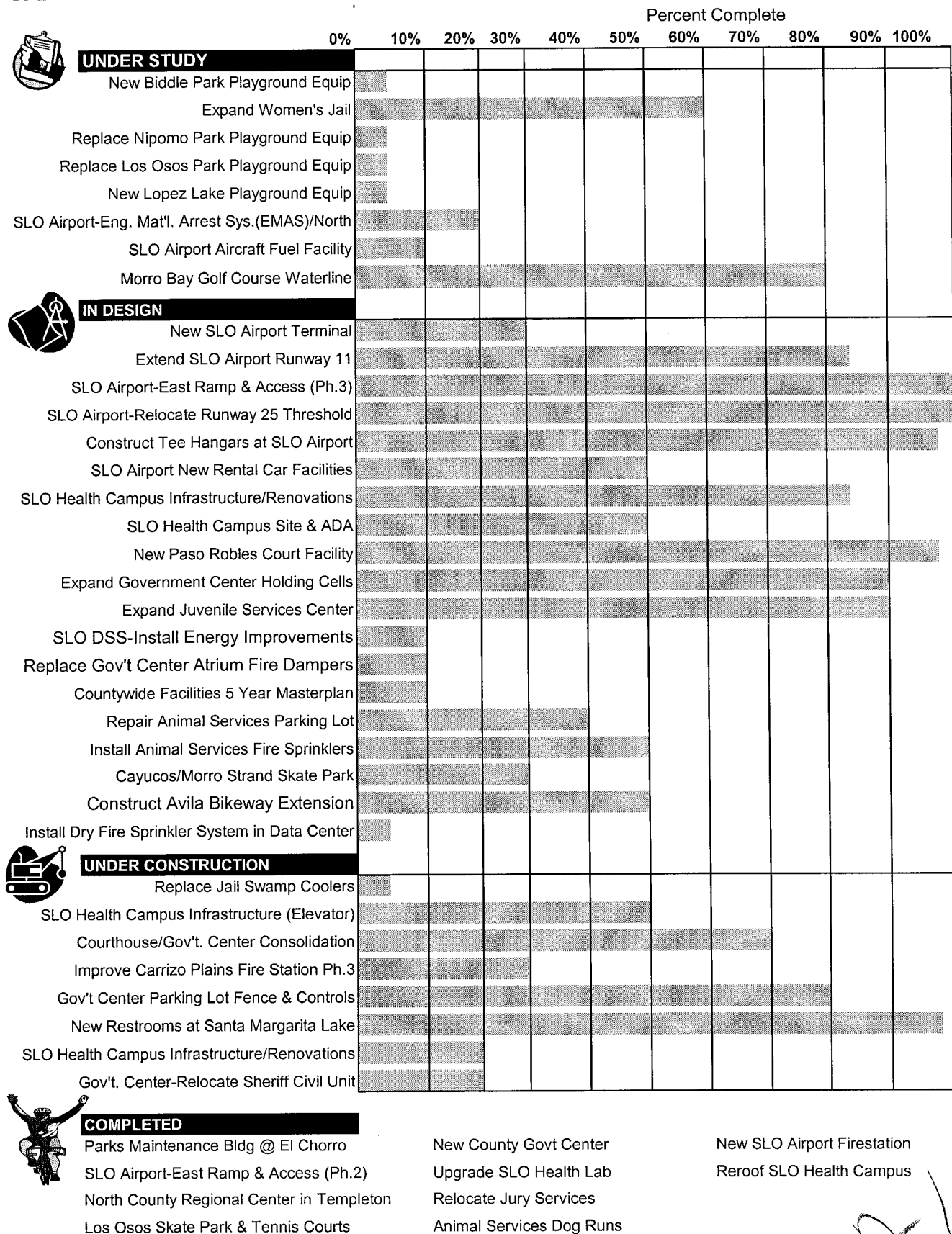
The Driving Under the Influence (DUI) fund center expects program revenues (client fees) to be at least \$42,626 above budgeted amounts due to higher than budgeted enrollments during the third quarter. DUI requests that \$16,670 be allocated to services and supplies in order to purchase replacement tables and chairs, replace six television sets (which are used for educational videos), replace five computers, provide for minor maintenance work at the Atascadero facility, and to hire some additional temporary help in order to provide additional classes to support the higher level of enrollment. The remaining \$25,956 will go to contingencies.

Capital & Maintenance Projects- Fund Centers 230 & 200

Capital and maintenance projects are generally on track. A capital project summary is attached that highlights the progress of major changes.

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CAPITAL PROJECT IMPROVEMENT STATUS: MARCH 2006



**COUNTY OF SAN LUIS OBISPO
THIRD QUARTER STATUS REPORT
STATUS OF FUNDS, CONTINGENCIES AND RESERVES**

SECTION 2

I. GENERAL:

The Auditor-Controller's Office has prepared the following Schedules that are included at the end of Section 2.

Schedule 1: Comparative Statement of County Funds - Revenue Status

Schedule 2: Comparative Statement of Contingencies and Reserves

Schedule 3: Revenues and Expenditures by Functional Area

These schedules are the focus of the following discussion. Generally, comments are limited to material deviations from the prior year or from what would appear to be normal performance.

II. SCHEDULE 1: Comparative Statement of County Funds - Revenue Status

A. Summary

Total budgeted revenue for all funds was \$434.2 million. As of the end of the third quarter \$253.6 million, or 58% of budgeted revenues had been realized. This percentage is higher than last year's realization rate of 52%. Interest revenue, state and federal revenue sources and charges for current services all have exceeded the prior year's revenue realization rates.

B. Specific Comments - Revenue Status by Type

Taxes-Current Property: Collections on current property taxes are 69% at the end of the third quarter, which is consistent with the prior year.

Taxes-Other than Current Property: The amount realized in the current year is 64% at the end of the third quarter and is consistent with the prior year. This revenue source will exceed estimates by a considerable amount by the end of the current fiscal year. Significant in this revenue category is Property Tax in lieu of VLF, which will increase more than \$3.7 million over the prior year due to the States under estimating local VLF revenue.

Licenses and Permits: The amount realized is less than the prior year by approximately \$2.5 million because of a one-time payment received in the prior year.

Aid From Government Agencies: The amount realized is 52%, which is higher than the prior year primarily because of increases in Realignment Revenue, Welfare Administration and Medi-Cal reimbursements. Additionally, the VLF gap loan of more than \$5.2 million was repaid by the State.

Charges for Current Services: The amount realized in the current year is 60% of budgeted revenue and is higher than the prior year's realization rate of 55%. A number of services have seen increases over the prior year but no single increase is significant.

Other Financing Sources: The amount realized is 63%, which is considerably higher than the prior year realization of 34%. This increase is related to a greater number of transfers between funds for debt pay off.

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C. Specific Comments - Revenue by Fund

General Fund: The General Fund's realized revenues were 63% at the end of the first quarter and higher than the prior year by approximately 7%. Non-departmental revenues are expected to exceed budgeted revenues by the end of the fiscal year primarily because of increased property taxes and state and federal revenue sources.

Road Fund: Realized revenue of 42% is slightly higher than the prior year but is considered to be within the normal range.

Parks Fund: Revenue for the Parks Department is higher than the prior year primarily because the entire general fund contribution was realized by the end of the third quarter.

Community Development Program: Revenue is realized as it is disbursed on community projects. Revenue is consistent with the prior year.

SCHEDULE 2: Comparative Statement of Contingencies and Reserves

A. Contingencies

General Fund Contingencies: During the third quarter contingencies were reduced by \$30,000 for a contribution to the Economic Opportunity Commission for operation of the Maxine Lewis Memorial Shelter.

Drinking Driver Program Contingencies: During the third quarter contingencies were reduced by \$50,000 to fund employee costs and minor structural improvements.

B. General Reserves

The Government Code provides that General Reserves may not be used during the operating year unless the Board of Supervisors deems that there is a state of emergency. Since no emergency has existed to date, all balances of reserves are as adopted.

C. Designations and Other Reserves

The Board of Supervisors may choose to designate portions of available funding for a specific purpose. Such designations reflect tentative plans, which are subject to change. It is this flexibility that distinguishes designations from reserves. The only significant decreases during the third quarter are listed below:

1. \$(610,000) GENERAL FUND – Internal Financing - Funds were loaned to the CAL ID Program to purchase new equipment.
2. \$(104,782) CAPITAL PROJECTS – Facility Planning Designation - To fund the design and construction of a pipe bridge to support utility lines that service county operational facilities.
3. \$(62,578) ROAD FUND – Future Road Projects – To partially fund earthquake repairs to various roads in Oceano.
4. \$(125,560) ROAD FUND – Future Road Projects – To fund a portion of the Enhancement of Main Street Project in Cambria.

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5. \$(225,000) PUBLIC FACILITY FEES – Parks – Contribution to Cambria Services District toward purchase of the East/West Ranch.
6. \$(54,000) TRAFFIC IMPACT FEES – Cambria – To fund a portion of the Enhancement of Main Street Project in Cambria.

III. SCHEDULE OF APPROPRIATION TRANSFERS UNDER THE AUDITOR'S AUTHORITY

By resolution the Board of Supervisors authorized the Auditor-Controller to approve appropriation transfers between all object levels within the same budget unit. The resolution also directed that such transfers be reported to the Board on a quarterly basis.

The following transfers occurred during the third quarter:

Medical Assistance Programs: Transferred \$22,750 from Services and Supplies to Salaries and Benefits to cover final payoffs for severance pay.

Countywide Automation Replacement: Transferred \$115,000 from Fixed Assets to Professional Services to reclassify the underground communications fiber project as services and supplies.

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COMPARATIVE STATEMENT OF COUNTY FUNDS- REVENUE STATUS
For the Nine Month Period Ended March 31, 2006 and 2005

	2005-06	Amount		2004-05	Amount	
	Amount	Realized		Amount	Realized	
Revenue Status by Class	Budgeted	03/31/06	%	Budgeted	03/31/05	%
TAXES - CURRENT PROPERTY	\$ 82,467,295	\$ 56,940,190	69 %	\$ 69,973,947	\$ 47,830,793	68 %
TAXES - OTHER THAN CURRENT PROPERTY	36,262,117	23,204,659	64 %	31,958,600	20,349,474	64 %
LICENSES AND PERMITS	10,218,919	7,692,326	75 %	9,334,675	10,157,108	109 %
FINES, FORFEITURES AND PENALTIES	12,830,758	2,212,349	17 %	12,528,622	3,029,846	24 %
REVENUE - MONEY AND PROPERTY USE *	1,687,988	3,093,137	183 %	2,014,615	2,063,341	102 %
AID FROM GOVERNMENT AGENCIES	196,746,193	102,313,855	52 %	189,762,504	84,658,939	45 %
CHARGES FOR CURRENT SERVICES	36,983,735	22,009,429	60 %	38,093,917	21,140,211	55 %
OTHER REVENUES	25,181,240	16,164,184	64 %	25,874,912	14,420,581	56 %
OTHER FINANCING SOURCES	31,830,870	19,973,758	63 %	24,227,474	8,208,513	34 %
TOTAL REVENUES	\$ 434,209,115	\$ 253,603,887	58 %	\$ 403,769,266	\$ 211,858,806	52 %

	2005-06	Amount		2004-05	Amount	
	Amount	Realized		Amount	Realized	
Revenue Status by Fund	Budgeted	03/31/06	%	Budgeted	03/31/05	%
1000000000 General Fund *	\$ 316,703,241	\$ 198,240,233	63 %	\$ 299,272,078	\$ 169,022,394	56 %
1100000000 Capital Projects *	24,887,328	3,823,719	15 %	19,106,349	1,399,013	7 %
1200000000 Road Fund	40,367,120	17,136,122	42 %	38,853,556	14,513,115	37 %
1200500000 Community Devel Pgm	10,903,356	2,357,970	22 %	9,544,077	3,466,527	36 %
1201000000 Public Facility Fees	3,550,000	2,500,657	70 %	3,405,453	2,837,983	83 %
1201500000 Parks	7,522,193	4,602,128	61 %	7,164,777	3,361,806	47 %
1202000000 Co-Wide Automation Replacement	2,680,000	2,106,517	79 %	1,268,386	856,122	67 %
1202500000 Gen Gov Building Replacement	961,458	788,223	82 %	855,712	744,102	87 %
1203000000 Tax Reduction Resrv	0	183,264	%	0	93,717	%
1203500000 Impact Fee-Traffic	2,614,800	3,450,229	132 %	4,075,000	2,337,254	57 %
1204000000 Wildlife And Grazing	4,050	4,419	109 %	5,050	5,201	103 %
1204500000 Drinking Driver Prog	1,101,492	868,746	79 %	1,079,030	858,640	80 %
1205000000 Library	6,808,418	4,412,920	65 %	6,644,009	4,193,762	63 %
1205500000 Fish And Game	7,000	59,646	852 %	7,000	4,840	69 %
1206000000 Organizational Development	200,000	189,014	95 %	200,000	172,482	86 %
1206500000 County Med Svcs Prog	3,629,672	2,617,088	72 %	3,534,191	1,661,453	47 %
1207000000 Emergency Med Svcs	491,500	326,729	66 %	1,190,743	311,188	26 %
1207500000 Cal Hlth Indig Prog	1,271,551	288,278	23 %	458,299	133,807	29 %
1208000000 Debt Service-Cert of Participation	3,504,641	3,398,945	97 %	2,405,556	2,282,874	95 %
1801000000 Pension Obligation Bond DSF	7,001,295	6,249,040	89 %	4,700,000	3,602,526	77 %
TOTAL REVENUES	\$ 434,209,115	\$ 253,603,887	58 %	\$ 403,769,266	\$ 211,858,806	52 %

* Includes Interest Revenue of \$578,606 and \$154,305 for General Fund and Capital Projects respectively. The third quarter average interest rate earned by the County was 3.33%.

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COMPARATIVE STATEMENT OF CONTINGENCIES AND RESERVES
By Fund as of March 31, 2006

	2004-05 Final Budget	2005-06 Final Budget	As of 03/31/06	2005-06 Increase (Decrease)
<u>Contingencies</u>				
General Fund	\$ 13,100,540	\$ 15,221,082	\$ 15,130,242	\$ (90,840)
Community Devel Pgm	18	0	0	0
Parks	112,878	293,212	293,212	0
Drinking Driver Prog	88,752	95,509	45,509	(50,000)
Library	201,056	192,800	192,800	0
Organizational Development	74,043	74,043	74,043	0
Emergency Med Svcs	0	23,288	23,288	0
Cal Hlth Indig Prog	0	7,393	0	(7,393)
<u>TOTAL CONTINGENCIES</u>	<u>\$ 13,577,287</u>	<u>\$ 15,907,327</u>	<u>\$ 15,759,094</u>	<u>\$ 148,233</u>

	2004-05 Final Budget	2005-06 Final Budget	As of 03/31/06	2005-06 Increase (Decrease)
<u>General Reserves</u>				
General Fund	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 0
Wildlife And Grazing	7,869	7,869	7,869	0
Drinking Driver Prog	122,644	189,871	189,871	0
Library	328,335	478,335	478,335	0
Fish And Game	33,354	33,354	33,354	0
Organizational Development	535,000	535,000	535,000	0
<u>TOTAL GENERAL RESERVES</u>	<u>\$ 9,027,202</u>	<u>\$ 9,244,429</u>	<u>\$ 9,244,429</u>	<u>\$ 0</u>

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COMPARATIVE STATEMENT OF CONTINGENCIES AND RESERVES
By Fund as of March 31, 2006

	2004-05 Final Budget	2005-06 Final Budget	As of 03/31/06	2005-06 Increase (Decrease)
<u>Designations and Other Reserves</u>				
General Fund				
Co. Fire Equip. Replace	\$ 814,459	\$ 707,490	\$ 707,490	\$ 0
Contingent Liabilities	409,165	0	0	0
Equip Replacement	979,817	949,204	949,204	0
Internal/Teeter Financing	1,820,611	4,631,756	4,006,756	(625,000)
Capital Projects				
Facilities Planning	6,733,740	9,333,945	11,423,142	2,089,197
LO Landfill Closure	600,000	600,000	600,000	0
Road Fund				
Future Road Projects	2,460,969	1,429,688	1,041,250	(388,438)
Public Facility Fees				
Reserve for County Fire	844,945	2,149,904	2,149,904	0
Reserve for General Gov't	1,943,288	2,328,337	2,327,763	0
Reserve for Law Enforcmnt	276,437	406,938	407,512	0
Reserve for Library	1,966,104	2,358,500	2,358,500	0
Reserve for Parks	4,220,019	4,948,824	4,603,824	(345,000)
Parks				
Parks Projects	4,705	4,705	4,705	0
Co-Wide Automation Replacement				
Actg. Systems Development	996,925	813,796	813,796	0
Automation Replacement	1,667,826	6,201,900	6,039,594	(162,306)
Gen Gov Building Replacement				
Gov. Building Rpl	4,160,008	5,292,011	5,292,011	0
Tax Reduction Resrv				
Desig-Prop Tax Litigation	392,422	392,422	392,422	0
Tax Reduction Reserves	11,749,078	11,973,467	11,973,467	0
Impact Fee-Traffic				
Improvement Fees	10,835,125	11,336,744	11,064,634	(272,110)
Wildlife And Grazing				
Wildlife Projects	2,213	1,571	1,571	0
Drinking Driver Prog				
Systems Development	20,000	70,000	70,000	0
Library				
Atascadero Building Expan	217,340	238,940	238,940	0
Computer Equipment Rpl	23,530	23,530	23,530	0
Facilities Planning	834,313	1,004,672	1,004,672	0
Fish And Game				
Fish and Game Projects	30,471	35,162	35,162	0
Organizational Development				
Countywide Training	1,620,399	1,568,221	1,568,221	0
Pension Obligation Bond DSF				
DESIG - POB DEBT SERVICE	4,266,414	4,356,970	4,372,675	15,705
<u>TOTAL DESIGNATIONS AND RESERVES</u>	<u>\$ 59,890,323</u>	<u>\$ 73,158,697</u>	<u>\$ 69,260,941</u>	<u>\$ (3,897,756)</u>

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REVENUES AND EXPENDITURES BY FUNCTIONAL AREA
For the Nine Month Period Ended March 31, 2006

			2005-06	Amount				2005-06	Amount		
			Budgeted	Expended				Budgeted	Realized		
Budget Units by Functional Area			Expenditures	03/31/06	%	Revenues			03/31/06	%	
General Government											
100	BOARD OF SUPERVISORS	\$	1,224,083	\$	928,915	76 %	\$	0	\$	0	0 %
101	NON-DEPARTMENTAL REVENUES		100		3	3 %		116,519,666		86,536,625	74 %
104	ADMINISTRATIVE OFFICE		1,716,068		1,178,614	69 %		183,519		136,916	75 %
105	RISK MANAGEMENT		1,783,796		1,405,121	79 %		805,995		743,414	92 %
107	AUDITOR-CONTROLLER		4,284,813		3,105,679	72 %		913,282		770,280	84 %
108	TREAS-TAX COLL-PUBLIC ADM		2,506,258		1,782,162	71 %		1,107,978		774,321	70 %
109	ASSESSOR		7,546,965		5,227,968	69 %		1,029,504		592,553	58 %
110	CLERK/RECORDER		4,156,205		2,603,812	63 %		2,996,796		1,801,400	60 %
111	COUNTY COUNSEL		3,283,882		2,565,011	78 %		198,152		56,065	28 %
112	HUMAN RESOURCES		2,040,102		1,503,254	74 %		108,301		147,205	136 %
113	GENERAL SERVICES		10,770,156		7,781,053	72 %		3,608,136		2,351,389	65 %
114	INFORMATION TECHNOLOGY DEPARTMENT		11,853,811		7,898,095	67 %		3,135,252		2,313,816	74 %
201	PUBLIC WORKS SPECIAL SERVICES		3,184,213		1,969,209	62 %		1,719,441		839,076	49 %
265	ENTERPRISE FINANCIAL SYSTEM		4,579,343		2,900,195	63 %		0		0	0 %
266	COUNTYWIDE AUTOMATION REPLACEMENT		3,034,561		1,591,228	52 %		2,680,000		2,106,517	79 %
267	GEN GOVT BUILDING REPLACEMENT		0		0	0 %		961,458		788,223	82 %
268	TAX REDUCTION RESERVE		0		0	0 %		0		183,264	0 %
275	ORGANIZATIONAL DEVELOPMENT		481,348		158,404	33 %		200,000		189,014	95 %
290	COMMUNITY DEVELOPMENT PROGRAM		10,903,356		2,357,894	22 %		10,903,356		2,357,970	22 %
TOTAL General Government			\$ 73,349,060	\$ 44,956,617	61 %		\$ 147,070,836	\$ 102,688,048	70 %		
Public Protection											
130	WASTE MANAGEMNT	\$	678,046	\$	444,756	66 %	\$	17,000	\$	17,007	100 %
131	GRAND JURY		118,410		76,602	65 %		0		0	0 %
132	DISTRICT ATTORNEY		9,750,410		7,729,498	79 %		3,860,323		2,332,216	60 %
133	VICTIM/WITNESS ASSISTANCE		1,138,383		863,806	76 %		623,355		364,432	58 %
134	CHILD SUPPORT SERVICES		4,944,967		3,571,390	72 %		4,944,964		3,513,375	71 %
135	PUBLIC DEFENDER		4,532,731		3,206,812	71 %		234,300		199,943	85 %
136	SHERIFF-CORONER		44,233,067		32,724,065	74 %		19,075,345		10,289,823	54 %
137	ANIMAL SERVICES		2,126,110		1,464,312	69 %		1,106,775		809,538	73 %
138	EMERGENCY SERVICES		1,117,515		724,192	65 %		876,679		607,915	69 %
139	PROBATION DEPARTMENT		15,092,549		11,077,720	73 %		8,717,613		5,705,177	65 %
140	COUNTY FIRE		15,103,268		10,924,055	72 %		5,441,191		3,113,294	57 %
141	AGRICULTURAL COMMISSIONER		4,493,278		3,282,803	73 %		2,609,381		1,624,190	62 %
142	PLANNING & BUILDING DEPARTMENT		14,739,089		9,418,966	64 %		9,595,270		6,420,330	67 %
143	COURT OPERATIONS		2,350,000		1,522,138	65 %		2,767,920		1,985,544	72 %
330	WILDLIFE AND GRAZING		4,954		4,903	99 %		4,050		4,419	109 %
331	FISH AND GAME		14,625		888	6 %		7,000		59,646	852 %
TOTAL Public Protection			\$ 120,437,402	\$ 87,036,906	72 %		\$ 59,881,166	\$ 37,046,849	62 %		
Public Ways & Facilities											
245	ROADS	\$	44,092,284	\$	18,259,785	41 %	\$	40,367,120	\$	17,136,122	42 %
247	PUBLIC FACILITIES FEES		5,224,805		2,128,009	41 %		3,550,000		2,500,657	70 %
248	ROADS - IMPACT FEES		7,402,142		2,196,753	30 %		2,614,800		3,450,229	132 %
TOTAL Public Ways & Facilities			\$ 56,719,231	\$ 22,584,547	40 %		\$ 46,531,920	\$ 23,087,008	50 %		

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REVENUES AND EXPENDITURES BY FUNCTIONAL AREA
For the Nine Month Period Ended March 31, 2006

Budget Units by Functional Area	2005-06 Budgeted Expenditures	Amount Expended 03/31/06	%	2005-06 Budgeted Revenues	Amount Realized 03/31/06	%
Health & Sanitation						
160 PUBLIC HEALTH DEPARTMENT	\$ 20,754,886	\$ 13,853,779	67 %	\$ 18,819,352	\$ 7,943,413	42 %
161 MENTAL HEALTH	25,175,509	18,272,170	73 %	21,455,993	11,915,653	56 %
162 DRUG & ALCOHOL SERVICES	5,275,107	3,669,362	70 %	5,072,338	2,345,176	46 %
163 SUSPECTED ABUSE RESPONSE TEAM	264,289	180,411	68 %	6,500	1,669	26 %
164 CLINICAL LAB SERVICES	2,513,991	1,820,758	72 %	1,953,664	301,844	15 %
TOTAL Health & Sanitation	\$ 53,983,782	\$ 37,796,480	70 %	\$ 47,307,847	\$ 22,507,755	48 %
Public Assistance						
106 CONTRIBUTIONS TO OTHER AGENCIES	\$ 1,827,552	\$ 1,729,158	95 %	\$ 419,917	\$ 3,212	1 %
180 SOCIAL SERVICES ADMINISTRATION	48,900,482	33,861,656	69 %	45,061,679	21,538,788	48 %
181 FOSTER CARE-SOCIAL SERVICES	13,876,921	10,539,155	76 %	12,801,708	9,547,357	75 %
182 CALWORKS	12,143,244	8,518,617	70 %	11,898,487	7,403,805	62 %
183 MEDICAL ASSISTANCE PROG	6,345,556	4,365,155	69 %	545,492	483,940	89 %
184 LAW ENFORCEMENT MED CARE	1,306,370	1,038,338	79 %	663,493	458,802	69 %
185 GENERAL ASSISTANCE	645,090	528,246	82 %	378,095	350,969	93 %
186 VETERANS SERVICES	349,319	265,099	76 %	77,552	40,147	52 %
350 CO MEDICAL SERVICES PROG	4,453,264	2,954,079	66 %	3,629,672	2,617,088	72 %
351 EMERGENCY MEDICAL SRVS FUND	784,333	416,116	53 %	491,500	326,729	66 %
352 CAL HEALTHCARE INDIG PROG	1,636,042	348,541	21 %	1,271,551	288,278	23 %
TOTAL Public Assistance	\$ 92,268,173	\$ 64,564,160	70 %	\$ 77,239,146	\$ 43,059,115	56 %
Education						
215 FARM ADVISOR	\$ 322,471	\$ 208,831	65 %	\$ 6,200	\$ 144	2 %
375 DRINKING DRIVER PROGRAMS	1,105,983	845,668	76 %	1,101,492	868,746	79 %
377 LIBRARY	7,940,140	4,550,250	57 %	6,808,418	4,412,920	65 %
TOTAL Education	\$ 9,368,594	\$ 5,604,749	60 %	\$ 7,916,110	\$ 5,281,810	67 %
Recreation & Cultural Services						
305 PARKS	\$ 7,513,620	\$ 4,149,292	55 %	\$ 7,522,193	\$ 4,602,128	61 %
TOTAL Recreation & Cultural Services	\$ 7,513,620	\$ 4,149,292	55 %	\$ 7,522,193	\$ 4,602,128	61 %
Debt Service						
277 DEBT SERVICE	\$ 3,504,641	\$ 2,298,945	66 %	\$ 3,504,641	\$ 3,398,945	97 %
392 PENSION OBLIGATION BOND DSF	7,001,295	4,993,572	71 %	7,001,295	6,249,040	89 %
TOTAL Debt Service	\$ 10,505,936	\$ 7,292,517	69 %	\$ 10,505,936	\$ 9,647,985	92 %
Financing Uses						
102 NON-DEPTL-OTHR FINCNG USE	\$ 9,321,101	\$ 8,408,208	90 %	\$ 1,700,901	\$ 1,566,425	92 %
TOTAL Financing Uses	\$ 9,321,101	\$ 8,408,208	90 %	\$ 1,700,901	\$ 1,566,425	92 %

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REVENUES AND EXPENDITURES BY FUNCTIONAL AREA
For the Nine Month Period Ended March 31, 2006

Budget Units by Functional Area	2005-06 Budgeted Expenditures	Amount Expended 03/31/06	%	2005-06 Budgeted Revenues	Amount Realized 03/31/06	%
CAPITAL PROJECTS						
200 MAINTENANCE PROJECTS	\$ 9,556,000	\$ 2,592,135	27 %	\$ 3,645,732	\$ 293,045	8 %
230 CAPITAL PROJECTS FUND	<u>31,048,211</u>	<u>5,588,813</u>	<u>18 %</u>	<u>24,887,328</u>	<u>3,823,719</u>	<u>15 %</u>
TOTAL CAPITAL PROJECTS	<u>\$ 40,604,211</u>	<u>\$ 8,180,948</u>	<u>20 %</u>	<u>\$ 28,533,060</u>	<u>\$ 4,116,764</u>	<u>14 %</u>
COUNTY TOTAL	<u>\$ 474,071,110</u>	<u>\$ 290,574,424</u>	<u>61 %</u>	<u>\$ 434,209,115</u>	<u>\$ 253,603,887</u>	<u>58 %</u>
GENERAL FUND TOTAL	<u>\$ 333,346,163</u>	<u>\$ 234,831,089</u>	<u>70 %</u>	<u>\$ 316,703,241</u>	<u>\$ 198,240,233</u>	<u>63 %</u>

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**COUNTY OF SAN LUIS OBISPO
THIRD QUARTER FINANCIAL STATUS REPORT**

POSITION CHANGES

SECTION 3

During the Third Quarter, January 1, 2006 through March 31, 2006, the following reclass/reorganization changes were recommended by Personnel and approved by the Board of Supervisors. This report also includes a list of all administrative changes approved by the Personnel Director under the authority of the BOS and the Administrative Office and the current vacancy statistics.

POSITION ALLOCATION CHANGES APPROVED BY THE BOARD OF SUPERVISORS:

Fund Center 137-Animal Services

Allocation Change Approved 01/10/06

Delete 1.00 Supervising Admin Clerk and add 1.00 Senior Account Clerk

Annual Savings: \$3,816

Fund Center 377-Library

Allocation Change Approved 01/24/06

Delete 0.50 AA series position and add 1.00 AA series position

Add 1.00 Supervising Librarian and delete 1.00 librarian III

Annual Cost: \$19,116

Fund Center 141-Agricultural Commissioner

Allocation Change Approved 02/07/06

Change job title from Agricultural Measurement Standard Technician I, II to Agricultural/Weights and Measures Technician I, II.

Delete 7.50 Agricultural Measurement Standard Technician I, II and add 7.5 Agricultural/Weights and Measures Technician I,II

Annual Savings/Cost: \$0

ADMINISTRATIVE CHANGES MADE BY THE PERSONNEL DEPARTMENT:

None

EMPLOYEE VACANCY RATE

The County's employee vacancy rate as of 03/31/2006 is 6.23%. This equates to 156 vacant positions.

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**COUNTY OF SAN LUIS OBISPO
THIRD QUARTER FINANCIAL STATUS REPORT**

MISCELLANEOUS FINANCIAL ISSUES

SECTION 4

I. Acceptance Of Donated Gift Funds

Donations made by individuals and community organizations are accepted by the County and appropriated into the proper departmental budgets on an as needed basis. These donations are used to enhance programs and meet special needs throughout the County. The Board is requested to receive donations totaling \$39,406.06 on behalf of the Library and to approve a budget adjustment in order to transfer the funds to the Library's budget.

II. Discharge Of Bad Debt

Requests to discharge bad debt are presented to the Board in accordance with Government Code requirements. The action relieves the department from active pursuit of receivables but does not release the responsible parties from the debt. Requests to discharge bad debt are only submitted to the Board for action after an extensive investigation has taken place and the department reaches the conclusion that the debt will never be collected. Additionally, if a department's collection efforts are unsuccessful, many cases are turned over to the County's contract collection agency. The Board is requested to discharge \$10,755.78 on behalf of the Mental Health Department. Additional information from the Mental Health Department is attached.

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ATTACHMENT A **SUMMARY OF GENERAL FUND DEPARTMENT ADJUSTMENTS**

Department	A Cost of Prevailing Wage Increases	B Savings from other accounts that will pay for some/all of "A"	C Unanticipated revenue that will pay for some/all of "A"	D Amount needed from GF contingencies to pay for "A"	E Other (not Prevailing Wage related) expense increases required	F Amount of "E" that will be paid for with savings or unanticipated revenue	G Amount of "E" needed from GF contingencies	H Total expense increase	I Total Adjustment Needed (includes Unanticipated revenue and GF Contingencies)	J Total amount from "H" needed from GF contingencies
General Fund Depts										
Board of Supervisors	\$39,872	\$1,981	\$0	\$37,891	\$0	\$0	\$0	\$39,872	\$37,891	\$37,891
Administrative Office	\$81,924	\$81,924	\$0	\$0	\$0	\$0	\$0	\$81,924	\$0	\$0
Auditor/Controller	\$211,184	\$95,000	\$0	\$116,184	\$0	\$0	\$0	\$211,184	\$116,184	\$116,184
Treasurer/Tax Collector	\$147,841	\$49,119	\$0	\$98,722	\$0	\$0	\$0	\$147,841	\$98,722	\$98,722
Assessor	\$387,423	\$387,423	\$0	\$0	\$0	\$0	\$0	\$387,423	\$0	\$0
County Counsel	\$154,704	\$93,867	\$0	\$60,837	\$210,000	\$0	\$210,000	\$364,704	\$270,837	\$270,837
Personnel	\$81,715	\$81,715	\$0	\$0	\$0	\$0	\$0	\$81,715	\$0	\$0
General Services	\$373,246	\$264,697	\$0	\$108,549	\$0	\$0	\$0	\$373,246	\$108,549	\$108,549
Information Technology	\$508,736	\$508,736	\$0	\$0	\$25,000	\$0	\$0	\$508,736	\$25,000	\$0
Risk Management	\$32,452	\$32,452	\$0	\$0	\$25,000	\$25,000	\$0	\$57,452	\$25,000	\$0
Clerk-Recorder	\$86,501	\$0	\$86,501	\$0	\$420,404	\$420,404	\$0	\$506,905	\$36,072	\$36,072
District Attorney	\$597,338	\$0	\$0	\$597,338	\$138,734	\$0	\$138,734	\$736,072	\$36,072	\$0
Child Support Svc	\$167,452	\$167,452	\$0	\$4,000	\$0	\$0	\$0	\$167,452	\$4,000	\$4,000
Victim Witness	\$43,343	\$39,343	\$0	\$0	\$0	\$0	\$0	\$43,343	\$0	\$0
Grand Jury	\$1,212	\$1,212	\$0	\$0	\$0	\$0	\$0	\$1,212	\$0	\$0
Sheriff	\$1,050,019	\$0	\$119,816	\$930,203	\$857,873	\$857,873	\$0	\$1,907,892	\$1,907,892	\$330,203
Probation	\$582,030	\$91,200	\$490,830	\$0	\$148,849	\$148,849	\$0	\$730,879	\$639,679	\$0
County Fire/CDF**	\$0	\$0	\$0	\$0	\$850,743	\$435,436	\$415,307	\$850,743	\$850,743	\$415,307
Ag Commissioner Office	\$205,175	\$122,407	\$0	\$82,768	\$0	\$0	\$0	\$205,175	\$82,768	\$82,768
Emergency Services	\$27,105	\$27,105	\$0	\$0	\$13,729	\$13,729	\$0	\$40,834	\$0	\$0
Public Defender					\$0	\$0	\$0	\$0	\$0	\$0
Planning & Building	\$642,924	\$642,924	\$0	\$0	\$0	\$0	\$0	\$642,924	\$0	\$0
Animal Services	\$110,035	\$110,035	\$0	\$0	\$0	\$0	\$0	\$110,035	\$0	\$0
Public Health***	\$759,781	\$759,781	\$0	\$0	\$0	\$0	\$0	\$759,781	\$0	\$0
Mental Health***	\$863,265	\$863,265	\$0	\$0	\$0	\$0	\$0	\$863,265	\$0	\$0
Drug & Alcohol***	\$199,564	\$199,564	\$0	\$0	\$0	\$0	\$0	\$199,564	\$0	\$0
Clinical Lab	\$58,529	\$58,529	\$0	\$0	\$0	\$0	\$0	\$58,529	\$0	\$0
SART	\$4,487	\$4,487	\$0	\$0	\$0	\$0	\$0	\$4,487	\$0	\$0
Social Services-Admin	\$1,876,199	\$1,876,199	\$0	\$0	\$285,611	\$285,611	\$0	\$1,876,199	\$285,611	\$0
Social Services-Foster Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Social Services-CAL Works	\$0	\$0	\$0	\$0	\$80,392	\$80,392	\$0	\$80,392	\$80,392	\$0
Social Services-Gen Asst	\$0	\$0	\$0	\$0	\$64,252	\$64,252	\$52,908	\$164,252	\$164,252	\$117,160
LEMC**	\$64,252	\$0	\$0	\$8,598	\$0	\$0	\$0	\$14,663	\$8,598	\$8,598
Veteran Services	\$14,663	\$6,065	\$0	\$0	\$0	\$0	\$0	\$17,574	\$0	\$0
Farm Advisor	\$17,574	\$17,574	\$0	\$0	\$0	\$0	\$0	\$17,574	\$0	\$0
Total General Fund Depts	\$9,390,545	\$6,584,056	\$697,147	\$2,109,342	\$3,131,335	\$2,314,386	\$816,949	\$12,521,880	\$5,924,095	\$2,926,291

**Negotiated salary increases approved by State
***Projected COLA included in original budget

**ATTACHMENT B
SUMMARY OF NON-GENERAL FUND DEPARTMENT ADJUSTMENTS**

Department	A Cost of Prevailing Wage Increases	B Savings from other accounts that will pay for some/all of "A"	C Unanticipated revenue that will pay for some/all of "A"	D Amount needed from contingencies to pay for "A"	E Other (not Prevailing Wage related) expenses increases required	F Amount of "E" that will be paid for with savings or unanticipated revenue	G Amount of "E" needed from Contingencies	H Total expense increase	I Total Adjustment Needed (includes Unanticipated revenue and Contingencies)	J Total amount from "H" needed from Contingencies
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All Other Funds

All Other Funds										
Airports***	\$42,382	\$42,382	\$0	\$0	\$0	\$0	\$0	\$42,382	\$0	\$0
Parks***	\$141,522	\$141,522	\$0	\$0	\$0	\$0	\$0	\$141,522	\$0	\$0
Golf Courses***	\$57,988	\$57,988	\$0	\$0	\$0	\$0	\$0	\$57,988	\$0	\$0
Drinking Driver***	\$34,838	\$0	\$34,838	\$16,670	\$16,670	\$0	\$51,508	\$51,508	\$34,838	\$0
Library***	\$234,976	\$234,976	\$0	\$0	\$0	\$0	\$234,976	\$0	\$0	\$0
Emergency Medical Services	\$0	\$0	\$0	\$23,288	\$0	\$23,288	\$23,288	\$23,288	\$23,288	\$23,288
Reprographics***	\$9,393	\$6,815	\$2,578	\$0	\$0	\$0	\$9,393	\$0	\$0	\$0
Fleet Services***	\$48,097	\$48,097	\$0	\$0	\$0	\$0	\$48,097	\$0	\$0	\$0
Public Works***	\$959,671	\$959,671	\$0	\$0	\$0	\$0	\$959,671	\$0	\$0	\$0
CMSP***	\$46,728	\$46,728	\$0	\$0	\$0	\$0	\$46,728	\$0	\$0	\$0
Enterprise Financial Sys.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Countywide Automation Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Tot Non-General Fund Depts	\$1,575,595	\$1,538,179	\$2,578	\$34,838	\$39,958	\$16,670	\$23,288	\$1,615,553	\$77,374	\$58,126
Total All Departments	\$10,966,140	\$8,122,235	\$699,725	\$2,144,180	\$3,171,293	\$2,331,056	\$840,237	\$14,137,433	\$6,001,469	\$2,984,417

***Projected COLA included in original budget



San Luis Obispo City-County Library

P.O. Box 8107, San Luis Obispo, CA 93403-8107

995 Palm Street (805) 781-5991
Library Administration (805) 781-5784

TO: Board of Supervisors
FROM: Brian A. Reynolds – Library Director
DATE: April 17, 2006
RE: Gift Fund Trust Account

BAR

Recommendation

It is recommended that the Board accept cash donations and approve a budget adjustment in the amount of \$39,406.06 from our gift trust fund to the Library operating budget. This requires a four-fifths vote.

Discussion

This allows us to utilize funds contributed by individuals and community organizations in various parts of the County. The funds were expended on books and materials and other supplies which the individuals and organizations have requested.

Other Agency Involvement

We have coordinated this request with the County Administrative Office.

Financial Considerations

This is a routine transfer procedure with funds contributed from the various communities. No additional funds are requested. This transfer covers the period from October 1, 2005 through March 31, 2006.

Intended Results

To accept \$39,406.06 in gift funds that will allow the Library to augment services to the public.

Attachments

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Gift Fund Transfer Request
2nd Quarter 2005 -2006

Date	Vendor		Gift Fund	Payment
Oct-Dec 2005	B & T	\$6,142.49	ATAS Gift Book Fund - OA3	513.66
			ATAS Library - Childrens Fund - OA4	385.20
			Cambria Comm Council - OC1	458.36
			Cambria Friends - OC2	393.32
			Cambria - Agnes Tappan OC6	167.19
			Oceano Friends of the Library - OE1	(0.01)
			Shell Beach Friends - OL2	291.59
			Morro Bay Friends - OM4	25.06
			Nipomo Friends - ON4	916.84
			Lecover Family Fund - ON9	115.56
			William L. Denneen Fund - ON12	6.39
			SLO Friends Branch Fund - OO1	250.19
			CHIC - Formerly Health Ref Ctr - OO5	77.85
			Various Donors - OO8	14.80
			SLO - Friends - OO9	248.10
			SLO - Helen M. Alexander - OO24	68.61
			SLO - Rotary - OO29	198.92
			Levinson Memorial - OO31	86.99
			SBAY Library Assoc. - OY1	1,645.35
			SBAY Orchids of Los Osos - OY6	68.58
			Santa M - David Van Laningham - OR3	49.18
			Santa Margarita Friends - OR4	64.79
			Santa Margarita - Katy Tomes - OR5	11.10
			South County Friends - OS6	84.86
Oct-Dec 2005	B & T ENT.	\$1,083.36	Sarah W. Day Memorial Fund - DAY	24.12
			Cambria Friends - OC2	575.74
			Bill & Joanne Frye Fund - OY3	(32.13)
			Valley Garden Club - OY4	85.20
			SBAY - Glikbarg Foundation - OY5	430.43
Oct-Dec 2005	Audio Editions	\$353.84	Santa Margarita Friends - OR4	123.71
			Santa Margarita - Katy Tomes - OR5	144.53
			Quinn & Diane Plante - OS3	85.60
Oct-Dec 2005	Gale Group	\$1,069.93	Cambria Comm Council - OC1	484.30
			SLO Friends Refrence - OO12	555.54
			SBAY Orchids of Los Osos - OY6	30.09
Oct-Dec 2005	Impac	\$248.99	ATAS Gift Book Fund - OA3	18.89
			SBAY - Carol & Jay Devore - OY8	192.99
			Santa Margarita Friends - OR4	37.11
Oct-Dec 2005	Brodart	\$56.52	SLO City/Co. Branch Fund - OO	28.44
			SLO Friends - JUV - OO14	28.08
			Subtotal for Account 5050430	8,955.12
			Total 2nd Quarter Transfer	
				\$ 8,955.12

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05/06 Gift Transfer Request
3rd Quarter 2005-2006

Date	Vendor	Gift Fund	Payment
	B & T	ATAS Gift Book Fund - OA3	1,351.89
		ATAS Library - Childrens Fund - OA4	363.27
		Cambria Branch Fund- OC	295.63
		Cambria Friends - OC2	777.19
		Shell Beach Friends Adult - OL1	210.32
		Shell Beach Friends - OL2	28.72
		Morro Bay Lu Chi Fa - OM2	306.30
		Morro Bay Friends - OM4	1,408.42
		Morro Bay Helen G. Conner - OM5	1,138.96
		Nipomo Friends - ON4	545.74
		SLO City Branch Fund - OO	129.55
		SLO City Irma Yundt - OO2	18.46
		Richard Rowntree - OO4	64.14
		CHIC - Formerly Health Ref Ctr - OO5	419.72
		McNamara Childrens Fund - OO6	91.89
		Various Donors - OO8	184.61
		SLO City Friends REF - OO12	351.56
		SLO Friends - JUV - OO14	111.79
		SLO - Rotary - OO29	334.89
		Levinson Memorial - OO31	32.00
		SLO City Gene Smith - OO32	59.03
		SLO City Tim Cutler - OO33	20.07
		South County Friends - OS6	1,779.18
		SBAY Library Assoc. - OY1	1,631.60
		SBAY Orchids of Los Osos - OY6	16.04
	B & T Ent.	Sarah W. Day Memorial Fund - DAY	572.23
		ATAS Gift Book Fund - OA3	12.02
		Cambria Friends - OC2	597.84
		Shell Beach Friends Adult - OL1	104.42
		SLO City Friends AV - OO9B	1,035.56
		SLO City Harm Toone - OO16	68.75
		South County Friends - OS6	1,001.80
		Sbay - Glikbarg - OY5	188.43
	Big Cozy Books	SBAY Library Assoc. - OY1	5,766.10
		SBAY Library Assoc. - OY1	4,580.00
	Audio Editions	ATAS Friends - OA1	(73.50)
		Nipomo - Rich Hart - ON15	76.48
		Nipomo - Barbara Maughan - ON21	31.92
	Green Planet Films	SLO City Friends AV - OO9B	67.25
	Greenwood-Heinemann	SLO City Friends REF - OO12	220.66
	Recorded Books	SLO - The Innovative Fund - OO34	268.32
		Nipomo - Barbara Maughan - ON21	462.56
		Santa Margarita Friends - OR4	849.70

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05/06 Gift Transfer Request
3rd Quarter 2005-2006

	Natl Register Publishing	ATAS Gift Book Fund - OA3	663.58
	Unique Books Inc.	McNamara Childrens Fund - OO6	236.00
	Kino On Video	SLO City Friends AV - OO9B	1,208.11
	Taylor & Francis Group	SLO City Friends REF - OO12	231.22
	Gale Group	ATAS Gift Book Fund - OA3	194.47
		Cambria Comm Council - OC1	273.81
	Central Coast Books	ATAS Gift Book Fund - OA3	81.43
	Random House	Nipomo - Barbara Maughan - ON21	60.81
		Subtotal for Account 5050430	30,450.94
		Total 3rd Quarter Transfer	
			\$ 30,450.94

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TO: Board of Supervisors

FROM: Karen Baylor
Behavioral Health Administrator

DATE: April 5, 2006

SUBJECT: Relief of Accountability 3rd Quarter Fiscal Year 2005/2006

Recommendation:

The Behavioral Health - Mental Health Billing Department requests approval for "Relief from Accountability" for the third quarter of the 2005-2006 fiscal year, by removing non-collectable client balances from the active accounts receivable totaling **\$10,755.78**.

- **\$7,749.18** – incorrect billing address
- **\$3,006.60** – no service or payment activity for over one year

Discussion:

County of San Luis Obispo Behavioral Health - Mental Health is required by law to establish an UMDAP (Uniform Method of Determining Ability to Pay). Clients who qualify for full-scope Medi-Cal are not required to pay the UMDAP amount. Clients with either restricted or share-of-cost Medi-Cal are financially responsible for the lessor of their annual UMDAP amount or the amount of services received.

- A client's account is determined to be non-collectable when a bill is returned with no forwarding address and the client has not returned for services. Please see the detailed listing attached.
- A client's account is determined to be non-collectable when there has been no activity on the account for 1 year and three efforts have been made to secure payment. A detailed listing of the dollar amounts deemed non-collectable and requested to be written-off is attached.

Other Agency Involvement/Impact:

Behavioral Health - Mental Health has coordinated their efforts with the County Administrative Office and the County Auditor's Office, and they concur with this request.

Financial Considerations:

This action will reduce the Accounts Receivable by \$10,755.78. The removal of these accounts will have no impact on current budget appropriations.

Results:

Removal of these non-collectable records from the active accounts receivable will increase efficiency for accounting processes by eliminating from the system those postings that have been deemed non-collectable.

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Uncollectible Client Balances

FY 2005-06, 3rd Quarter

<i>Reason Uncollectible</i>	<i>Account</i>	<i>Amount</i>
Incorrect billing address	601447	\$37.00
	602984	\$37.00
	602985	\$37.00
	605835	\$37.00
	606089	\$200.00
	606313	\$37.00
	607163	\$1,502.53
	611722	\$37.00
	613726	\$40.00
	614791	\$37.00
	614799	\$37.00
	615351	\$1,035.28
	615450	\$37.00
	615852	\$37.00
	615923	\$251.00
	616490	\$140.00
	616520	\$368.00
	616675	\$37.00
	616833	\$45.00
	616875	\$254.27
	616998	\$37.00
	617097	\$37.00
	617172	\$71.00
	617247	\$37.00
	617295	\$561.10
	617315	\$909.00
	617438	\$37.00
	617646	\$37.00
	617764	\$30.00
	618053	\$37.00
	618060	\$37.00
	618124	\$71.00
	618248	\$226.00
	618302	\$37.00

Friday, April 14, 2006

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Uncollectible Client Balances
FY 2005-06, 3rd Quarter

<i>Reason Uncollectible</i>	<i>Account</i>	<i>Amount</i>
	618305	\$37.00
	618322	\$37.00
	618344	\$298.00
	618366	\$37.00
	618444	\$73.00
	618516	\$177.00
	618560	\$37.00
	618585	\$37.00
	618644	\$226.00
	618726	\$50.00
	618864	\$37.00
	618911	\$37.00
	618946	\$37.00
	618957	\$37.00
	618981	\$37.00
	619002	\$37.00
	619033	\$37.00
	619066	\$37.00
	619190	\$37.00
		\$7,749.18

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Uncollectible Client Balances
FY 2005-06, 3rd Quarter

<i>Reason Uncollectible</i>	<i>Account</i>	<i>Amount</i>
No activity for over six months, three attempts to collect	606046	\$30.00
	608961	\$536.00
	611465	\$490.00
	611817	\$37.00
	614672	\$37.00
	615475	\$37.00
	615735	\$536.52
	615894	\$790.26
	616338	\$37.00
	616506	\$45.00
	616558	\$210.00
	616762	\$220.82
		\$3,006.60

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Department of Child Support Services

County of San Luis Obispo



Phil Lowe
Director

TO: Board of Supervisors

FROM:  Phil Lowe, Director, Child Support Services

DATE: April 25, 2006

SUBJECT: Approve Fixed Asset purchase and related budget adjustment for BudgetUnit 1340, Child Support Services.

Recommendation

That the Board approves the enclosed appropriation adjustment for BU 1340, The Department of Child Support Services, and transfers \$21,500 from Salary and Benefits, and amends the fixed asset list to include the purchase of three RICOH 2051 Copiers at \$7,132 each. This request requires a 4/5 vote.

Discussion

The Department's three RICOH copiers were purchased more than eight years ago. They have exceeded the normal replacement period of seven years. In addition, maintenance cost for these three copiers continues to rise annually due to their age. The bid contract with IKON is very favorable this fiscal year, but may be less so in future years. The estimated annual maintenance and usage charges for the new copiers will be around \$4,500 for the full seven-year duration, which is far less than the projected annual cost for our current copiers. The Department has realized some unexpected salary and benefit savings due to the self imposed hiring freeze, and early retirements.

Other Agency Involvement

This request has been reviewed by both the Administrative Office and the Auditor Controller, and is supported, and has been coordinated with General Services. These copiers will be purchased through the annual competitive bid process.

Financial Consideration

There will be no impact on the County's General Fund. The estimated total cost of the three RICOH 2051 Copiers is \$21,500. Sufficient salary savings exist in the Department of Child Support Services budget to cover the purchase. A budget adjustment is necessary to transfer the appropriation request from Salary and Benefits to the Fixed Asset-Equipment account.

Intended Results

Our current copiers require weekly service calls, which interfere with productivity and efficiency. Approval to purchase these Copiers will provide the Department with substantial savings in maintenance and operations costs, and will help to ensure that cost collection ratios compare favorably to other counties in the State, thereby helping to maintain a healthy and prosperous community.

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